COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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APPLICATION OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR AN)	
ORDER DECLARING THE MAYSVILLE-)	
MASON COUNTY LANDFILL GAS TO)	CASE NO. 2007-00509
ENERGY PROJECT TO BE AN ORDINARY)	
EXTENSION OF EXISTING SYSTEMS IN)	
THE USUAL COURSE OF BUSINESS)	

<u>COMMISSION STAFF'S FIRST DATA REQUEST</u> TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 6 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before February 6, 2008. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

EKPC shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which EKPC fails or refuses to furnish all or part of the requested information, EKPC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

- 1. In response to Item 14 of the Commission's December 18, 2006 Order in Case No. 2006-00508, EKPC provided outage reports for its generating units, including its landfill units. For the 6 months ended October 31, 2006, Laurel Ridge Landfill Unit One ("Unit One") experienced over 1,150 hours of forced outages and Laurel Ridge Unit Five ("Unit Five") experienced over 2,300 hours of forced outages.
- a. There appear to be several reasons for the outages at Unit One. Has EKPC ascertained any specific problems, beyond those identified in Case No. 2006-00508, that contributed to the forced outages at Unit One? If yes, describe the problems.
- b. Provide a narrative description of the similarities and differences between the generating equipment proposed for the Maysville-Mason County Landfill

¹ Case No. 2006-00508, An Examination of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2004 through October 31, 2006.

("Maysville-Mason") project and the generating equipment installed at the Laurel Ridge Landfill site.

- c. Case No. 2006-00508 indicates that, at Unit Five, most of the prolonged outages were due to lack of fuel. Lack of fuel has been an issue with some other EKPC landfill units in the past. Provide a detailed description of EKPC's experience regarding pre-construction forecasts of fuel availability versus actual operational fuel availability at its existing landfill gas generation units. In the description, state whether EKPC revised its estimate of available fuel supply at the Laurel Ridge Landfill or revised its estimate of the useful lifespan of the Laurel Ridge site.
- 2. Refer to Exhibit 1-3.0 of EKPC's December 12, 2007 application. The cost of the Maysville-Mason project's electrical energy is projected to be less than \$32 per MWh (net present value over the next 20 years). Provide all calculations made to arrive at the projected energy cost. Include with the calculations all assumptions made in arriving at the projected energy cost
- 3. Refer to Exhibit 1-5.0 of EKPC's application, which indicates that an availability of 95 percent was assumed in deriving the 13,315,200 kWh expected annual hours of generation for the proposed Caterpillar engine. For each of EKPC's existing landfill units, provide the unit's assumed availability factor at the time EKPC sought a declaratory Order for the unit and the unit's actual availability factor from beginning of service to the most recent date available.
- 4. Refer to Exhibit 1-6.0 of EKPC's application, which reflects its estimates of average annual costs for operations/maintenance personnel, equipment maintenance and supplies, and fuel for Maysville-Mason. For each of EKPC's existing landfill

projects provide the estimated costs for the same categories of costs at the time EKPC sought a declaratory Order for the project and the actual annual costs, by calendar year, incurred since the project went into service.

Beth O'Donnell

Executive Director

Public Service Commission

P. O. Box 615

Frankfort, KY 40602

DATED: <u>January 29, 2008</u>

cc: Parties of Record